

Date or Additional Advance Date, as applicable, an amount equal to the net book value for such asset as such value would be carried on the records of AerCap Group, consistent with GAAP, at the time of the related Initial Advance Date or Additional Advance Date, as applicable.

"Borrower" has the meaning set forth in the Preamble.

"Borrower Acquisition" has the meaning set forth in Section 10.30(a).

"Borrower Acquisition Documents" means, in respect of any Funded Aircraft, the documents executed in connection with a Borrower Acquisition thereof, including without limitation, any related Aircraft Acquisition Document and the AerCap-Borrower Purchase Agreement.

"Borrower Collateral" has the meaning set forth for the term "Collateral" as defined in the Security Trust Agreement.

"Borrower Expenses" means, for purposes of the use of such term in the Flow of Funds, Aircraft Asset Expenses, Operating Expenses and Related Expenses; provided that Borrower Expenses as used in the Flow of Funds shall not include (a) Borrower Income Tax Expenses (to the extent a separate allocation is provided therefor in the Flow of Funds), (b) expenses that have been or are properly payable or reimbursable with funds withdrawn from the Maintenance Reserve Account or the Security Deposit Account, or with the application of funds received from an insurance payment or other third party payment relating to casualty or condemnation (and in either such case such funds are actually available to the Borrower for such purposes and, for the avoidance of doubt, such expenses shall be Borrower Expenses to the extent such funds are not actually available to the Borrower for such purpose), (c) any expenses and costs attributable to Approved Asset Improvements, which costs (assuming satisfaction of all applicable conditions precedent and other requirements of this Agreement) could properly be the subject of reimbursement through an Improvement Advance, or (d) Overhead Expenses (as defined in the Servicing Agreement).

"Borrower Income Tax Expenses" means, for purposes of the use of such term in the Flow of Funds, Taxes based upon, attributable to or otherwise determinable by relation to income or net income of the Borrower or any Borrower Group Member.

"Borrower Funding Account" means an account (number 51948) in the name of the Borrower and maintained with the Account Bank.

"Borrower Group Member" means the Borrower or a Borrower Subsidiary.

"Borrower's Portfolio" means, when used with respect to Aircraft, all Aircraft then Owned directly or indirectly by any Borrower Group Member or Owner Trust.

"Borrower Subsidiary" means any direct or indirect Subsidiary of the Borrower (including, without limitation, any Holdco Subsidiary), each of which shall be reasonably satisfactory to the Administrative Agent, including, without limitation, any Aircraft Owning Entity, any Owner Participant, and any Applicable Intermediary.

"Borrowing Base" means any of the Class A Borrowing Base or the Class B Borrowing Base, as applicable.

"Borrowing Base Deficiency" means any of a Class A Borrowing Base Deficiency or Class B Borrowing Base Deficiency.

"Business Day" means any day on which commercial banks in New York, New York or Amsterdam, The Netherlands are not authorized or required to be closed, and in the case of the use of such term in connection with Advances bearing or to bear interest based on the Eurodollar Rate, on which dealings are carried on in the London interbank eurodollar market.

"Cape Town Convention" means, collectively, the official English language texts of the Convention on International Interests in Mobile Equipment and the protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment, adopted on 16 November 2001, at a diplomatic conference in Cape Town, South Africa.

"Cash Management Agreement" means the Cash Management Agreement, dated as of April 26, 2006, among the Cash Manager, the Collateral Agent, the Borrower, the Aircraft Owning Entities, the Owner Participants, the Applicable Intermediaries and the Administrative Agent, substantially in the form of Exhibit F hereto, as the same may be amended, modified and/or restated from time to time pursuant to the terms thereof.

"Cash Manager" has the meaning set forth in the Preamble.

"Category" means any of the categories designated "1", "2" or "3" listed next to the Types of Aircraft set forth on Table 1 of Appendix I hereto. "Category 1 Aircraft", "Category 2 Aircraft" and "Category 3 Aircraft" each have a correlative meaning.

"Category 1 Percentage" means, as of any date of determination, the percentage represented by the quotient of the Adjusted Borrowing Value of Funded Aircraft constituting Category 1 Aircraft as of such date, divided by the aggregate Adjusted Borrowing Value of all Funded Aircraft as of such date.

"Chattel Paper Original" means, when used in the provisions of Article VII in connection with delivery requirements and in related provisions in Article X, that the applicable original Lease and any related lease amendment or supplement being delivered shall have been designated the sole original copy thereof by the applicable Lessor (1) adding substantially the following language to the cover page of such Lease: "To the extent, if any, that this Lease Agreement or any lease amendment or supplement hereunder constitutes chattel paper (as such term is defined in the Uniform Commercial Code as in effect in any applicable jurisdiction), this copy shall constitute the sole original thereof and no security interest in this Lease Agreement or lease amendment or supplement may be created through the transfer or possession of any counterpart other than this counterpart"; and (2) marking each other original executed counterpart of such Lease Agreement or lease amendment or supplement in its possession with the words "DUPLICATE ORIGINAL."

"Class A Advance Rate" means, for each Aircraft of a particular Type as of any date of determination, the applicable Base Advance Rate (whether before or after Critical Mass exists), as adjusted by each applicable Advance Rate Adjustment.

"Class A Advances" has the meaning set forth in Section 2.1(d).

"Class A Advances Limit" means \$830,000,000.

"Class A Borrowing Base" means, as of any date of determination, the amount equal to (a) the aggregate sum of the products of (x) the applicable Class A Advance Rate for each Aircraft then in the Borrower's Portfolio, and (y) the Adjusted Borrowing Value of such Aircraft as of such date, plus (b) the portion allocable to Class A Advances, of unreleased Advance proceeds held in the Borrower Funding Account pending release to the Borrower during the Holding Period, or repayment to the Lenders immediately following the Holding Period.

"Class A Borrowing Base Deficiency" means, as of any Payment Date, the amount by which the Outstanding Class A Principal Amount on such Payment Date exceeds the Class A Borrowing Base on such Payment Date.

"Class A Commitment Fee" has the meaning set forth in the Fee Letter.

"Class A Funding Agent" means the UBS Funding Agent and each Other Funding Agent of an Other Funding Group funding Class A Advances hereunder.

"Class A Funding Group" means the UBS Funding Group and each Other Funding Group funding Class A Advances hereunder.

"Class A Funding Group Limit" means the sum of the UBS Funding Group Limit and each Other Funding Group Limit of a Funding Group funding Class A Advances.

"Class A Lenders" has the meaning set forth in the Preamble.

"Class A Majority Lenders" means, at any time, Class A Lenders which have advanced more than 50% of the Outstanding Class A Principal Amount.

"Class A Scheduled Principal Payments" has the meaning set forth in Section 8.1(e).

"Class B Advance Rate" means, for each Aircraft of a particular Type as of any date of determination, the applicable Base Advance Rate (whether before or after Critical Mass exists), as adjusted by each applicable Advance Rate Adjustment.

"Class B Advances" has the meaning set forth in Section 2.1(e).

"Class B Advances Limit" means \$170,000,000.

"Class B Borrowing Base" means, as of any date of determination, the amount equal to (a) the aggregate sum of the products of (x) the applicable Class B Advance Rate for each Aircraft then in the Borrower's Portfolio, and (y) the Adjusted Borrowing Value of such Aircraft

as of such date, plus (b) the amount on deposit in the Liquidity Reserve Account as of such date, after taking into account any funds proposed to be released therefrom on such date of determination (and, with respect to determinations of the Class B Borrowing Base as of any date that a Class B Advance is being made hereunder, giving effect to any amounts to be deposited into such Liquidity Reserve Account funded with the proceeds of Class B Advances on such date), plus (c) the portion allocable to Class B Advances, of unreleased Advance proceeds held in the Borrower Funding Account pending release to the Borrower during the Holding Period, or repayment to the Lenders immediately following the Holding Period.

"Class B Borrowing Base Deficiency" means, as of any Payment Date, the amount by which the Outstanding Class B Principal Amount on such Payment Date exceeds the Class B Borrowing Base less the Class A Borrowing Base on such Payment Date.

"Class B Commitment Fee" has the meaning set forth in the Fee Letter.

"Class B Funding Agent" means the UBS Funding Agent and each Other Funding Agent of an Other Funding Group funding Class B Advances hereunder.

"Class B Funding Group" means the UBS Funding Group and each Other Funding Group funding Class B Advances hereunder.

"Class B Funding Group Limit" means the sum of the UBS Funding Group Limit with respect to Class B Advances and each Other Funding Group Limit of a Funding Group funding Class B Advances.

"Class B Lenders" has the meaning set forth in the Preamble.

"Class B Majority Lenders" means at any time Class B Lenders who advanced more than 50% of the Outstanding Class B Principal Amount.

"Class B Scheduled Principal Payments" has the meaning set forth in Section 8.1(e).

"Class Majority Lenders" means, at any time, Class A Lenders and Class B Lenders, taken as a whole, which have advanced more than 50% of the sum of (i) the Outstanding Class A Principal Amount and (ii) the Outstanding Class B Principal Amount.

"Closing Date" means May 8, 2007.

"Closing Date ABS Transaction" has the meaning set forth in the Preamble.

"Code" means the Internal Revenue Code of 1986, as amended from time to time, and the regulations promulgated thereunder. Section references to the Code are to the Code as in effect at the date of this Agreement and any subsequent provisions of the Code amendatory thereof, supplemental thereto or substituted therefor.

"Collateral" has the meaning set forth in the Security Trust Agreement.

"Collateral Agent" means, for purposes of this Agreement and the other Transaction Documents and any related agreements or instruments, Deutsche Bank Trust Company Americas in its capacity as collateral agent under the Security Trust Agreement, together with any of its permitted successors and assigns.

"Collateral Agent Fees and Expenses" means the fees and expenses payable to the Collateral Agent and Account Bank pursuant to this Agreement or the Security Trust Agreement together with any other fees, payments and amounts owed to the Collateral Agent or the Account Bank under the Security Trust Agreement or this Agreement, including, without limitation, amounts payable pursuant to any indemnification provisions thereunder

"Collection Account" means the Collection Trust Account together with the Collection DDA Account (it being understood that any provision herein providing for or requiring a deposit of funds to the Collection Account shall be deemed to refer to a deposit to the Collection DDA Account, with all amounts on deposit in the Collection DDA Account to be automatically transferred on a daily basis to the Collection Trust Account).

"Collection DDA Account" means an account (number 01-474-339) in the name of the Borrower and maintained with the Account Bank.

"Collection Trust Account" means an account (number 51944) in the name of the Borrower and maintained with the Account Bank.

"Collections" means (i) any and all rent or lease payments, fees, and other income or payments in respect of any and all Aircraft due or collected under the Leases of such Aircraft excluding Maintenance Reserve payments and Security Deposit payments made by the applicable lessees, (ii) any and all proceeds from the sale, transfer, assignment or other disposition of any Aircraft, (iii) the portion of Security Deposits applied against rent or lease payments, (iv) any and all payments received by the Borrower as indemnification payments in respect of (A) any Aircraft Assets or (B) any Aircraft Owning Entity, Owner Participant or other Borrower Subsidiary, pursuant to the AerCap-Borrower Purchase Agreement, an Aircraft Acquisition Document or otherwise, (v) any proceeds from any guarantees, letters of credit or similar arrangements related to any and all Leases with respect to any and all Aircraft supporting the obligations described in clauses (i) through (iv) above, (vi) payments received by the Borrower under any Hedge Agreement, (vii) the amount of any Servicer Advances funded by the Servicer into the Collection Account, and (viii) any proceeds from any insurance (other than liability insurance) with respect to any and all Aircraft; provided, that Collections shall not include any Excluded Payments.

"Communications" has the meaning set forth in Section 17.3(c).

"Conduit Lender" means any Other Conduit.

"Contingent Policy" means (i) the insurance policy MK 51244 provided by Willis Limited for the benefit of the Borrower as in effect on the Original Closing Date, in the form provided and certified as a true and correct copy by the Borrower to the Administrative Agent for review prior to the Original Closing Date, with such amendments, addendums, endorsements,

extensions or replacements as may have been entered into consistent with the provisions of Section 10.34 hereof, or (ii) one or more aviation hull, liability and/or other insurance policies in replacement of the foregoing as the Administrative Agent shall have reasonably approved.

"Contingent Liabilities" means, with respect to any Person, (a) any agreement, undertaking or arrangement by which such Person guarantees, endorses or otherwise becomes or is contingently liable upon (by direct or indirect agreement, contingent or otherwise, to provide funds for payment, to supply funds to, or otherwise to invest in, a debtor, or otherwise to assure a creditor against loss) the indebtedness, obligation or any other liability of any other Person (other than by endorsements of instruments in the course of collection), or guarantees the payment of dividends or other distributions upon the shares of any other Person (the amount of obligation under any Contingent Liabilities shall be deemed to be the maximum outstanding amount of the debt, obligation or other liability guaranteed) and/or (b) liabilities that are contingent in nature which would be included as liabilities on the face of the balance sheet of such Person in accordance with GAAP.

"Control" shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ownership of voting securities, by contract or otherwise, and the terms "Controlling" and "Controlled" and "Controlled by" shall have meanings correlative thereto.

"Conversion Date" means the first Business Day that is on or after the third anniversary of the Closing Date; provided, that if an Event of Default or an Early Amortization Event occurs prior to the then scheduled Conversion Date, the Conversion Date shall be accelerated to the date on which such Event of Default or Early Amortization Event shall occur.

"Country/Region Concentration" means, for Aircraft within the Borrower's Portfolio that are subject to a Lease, and for any date of determination, the Facility Limit Percentage of all Aircraft in the Borrower's Portfolio that are under Lease to a Lessee within a specified Lessee Location (or an Affiliate thereof).

"Country/Region Concentration Limits" means, for Aircraft within the Borrower's Portfolio which are subject to a Lease, the percentage assigned for each particular category of Lessee Location as set forth in the table on Appendix I hereto headed "Geographical Diversification".

"Credit Documents" means this Credit Agreement, any Notes, the Fee Letter, the AerCap-Borrower Purchase Agreement, the Deed of Tax Indemnity, each Service Provider Agreement, the Indemnification Agreement, the Purchase Agreement Guaranty, the Security Trust Agreement, the Irish Pledges, the Syndication Cooperation Agreement, the Pledge of Borrower Equity, the Expenses Apportionment Agreement, and any Hedge Agreement.

"Credit Parties" has the meaning set forth in Section 17.4.

"Critical Mass" means as of any date of determination, the existence of an Outstanding Principal Amount that is secured by not less than \$300,000,000 in Adjusted Borrowing Value of Funded Aircraft in the Borrower's Portfolio as of such date.



"Critical Mass Advance Rate Adjustment" means any change within the Base Advance Rates set forth on Table 2 of Appendix I hereto, that occurs as a result of the existence of Critical Mass, as noted in the Advance Rate columns set forth within such Table 2 by the designations "before Critical Mass" and "after Critical Mass".

"Critical Mass Event Advance" means an Additional Advance following the initial existence of Critical Mass, not constituting an Improvement Advance or for the purpose of financing the acquisition of an Additional Aircraft into the Borrower's Portfolio, but utilizing any increase in availability of Advances due to an increase in Adjusted Borrowing Values attributable to a Critical Mass Advance Rate Adjustment.

"Current Market Value" means, with respect to an Aircraft and in connection with the definitions of Initial Current Market Value Appraisal and Improvement Current Market Value Appraisal herein, the amount, expressed in terms of currency, that may reasonably be expected for property exchanged between a willing buyer and a willing seller with equity to both, neither under any compulsion to buy or sell and both fully aware of all relevant, reasonably ascertainable facts.

"Deed of Tax Indemnity" means the Deed, dated 26 April 2006, between AerCap and the Borrower, relating to the AerCap-Borrower Purchase Agreement.

"Default" means any event that, if it continues uncured, will, with lapse of time or the giving of notice or both, constitute an Event of Default.

"Default Rate" means, with respect to any Advance (or portion thereof) on any date of determination, a rate per annum equal to the Lender Rate that would otherwise be in effect with respect to such Advance as of such date of determination plus 2%.

"Determination Date" means, with respect to any Payment Date, the third Business Day immediately preceding such Payment Date.

"Dollar(s)" and the sign "\$" mean lawful money of the United States of America.

"Early Amortization Event" means any of the following events:

- (a) the occurrence of a Servicer Termination Event; or
- (b) any Borrowing Base Deficiency exists as of any Payment Date and is not cured with a payment by the Borrower within five Business Days of such Payment Date.

"Effectively Bonded" means, when such term is used in connection with a judgment or order for the payment of money, that (A) (x) the amount of such judgment or order is covered by a valid and binding policy of insurance between the defendant and the insurer covering payment thereof and (y) such insurer, which shall be rated at least "A" by A.M. Best Company or any similar successor entity, has been notified of, and has not disputed the claim made for payment of, the amount of such judgment or order, or (B) cash collateral has been posted, in a manner

reasonably satisfactory to the Administrative Agent, in an amount sufficient to discharge the applicable judgment or Lien.

"Eligible Aircraft" means any Aircraft that satisfies each of the following requirements:

(a) (i) such Aircraft (immediately after giving effect to the related purchase by a Borrower Group Member pursuant to the AerCap-Borrower Purchase Agreement and thereafter) is Owned by an Aircraft Owning Entity (or, in the case of the ANA Aircraft, Tateha), (ii) such Ownership is free and clear of any Adverse Claim, and (iii) the Equity Interest with respect to the Aircraft Owning Entity that owns such Aircraft (immediately after giving effect to the related purchase by the Borrower under the AerCap-Borrower Purchase Agreement and thereafter) is owned, directly or indirectly, by the Borrower free and clear of any Adverse Claim;

(b) such Aircraft is of a Type set forth on Table 1 to Appendix I hereto;

(c) such Aircraft (i) if under Lease, is the subject of an Eligible Lease or (ii) if not the subject of an Eligible Lease, is being (or, after acquisition of such Aircraft by a Borrower Group Member, will be) serviced and managed, including as to efforts to currently, or eventually after completion of any applicable maintenance and/or improvements, market such Aircraft for placement under an Eligible Lease, in each case in accordance with the requirements of the Servicing Agreement;

(d) such Aircraft is covered by (A) all of the insurance required to be provided by the lessee thereof described on Schedule 2.02(a) to the Servicing Agreement or (B) if such Aircraft is not the subject of an effective Lease, or the lessee with respect to such Aircraft has failed to maintain the insurance described on Schedule 2.02(a) to the Servicing Agreement with respect to such Aircraft (provided that the Servicer is taking all actions necessary under the Servicer Standard of Performance in connection with such lessee's failure to obtain such insurance), the Contingent Policy; and the Administrative Agent has received with respect to such Aircraft, certificates of insurance from qualified brokers of aircraft insurance or other evidence reasonably satisfactory to the Administrative Agent, evidencing all such insurance, in each case, together with all endorsements required under the Transaction Documents and/or the applicable Notice and Acknowledgment;

(e) neither the Aircraft Owning Entity, nor, if applicable, the Owner Participant, the Applicable Intermediary or the Owner Trustee, with respect to such Aircraft is organized under the laws of, or domiciled in, any Prohibited Country, nor is the Aircraft registered in any Prohibited Country;

(f) the Collateral Agent (on behalf of the Administrative Agent, the Funding Agents and the Lenders) has a duly perfected, first priority Lien and security interest on (i) the Lease relating to such Aircraft, as applicable and (ii) the Equity Interests of the Aircraft Owning Entity which Owns such Aircraft and, if applicable, the Owner Participant with respect to such Aircraft;



(g) the Administrative Agent has received each of an Initial Base Value Appraisal and an Initial Current Market Value Appraisal with respect to such Aircraft;

(h) no Event of Loss has occurred with respect to such Aircraft; and

(i) at the time of its addition to the Borrower's Portfolio as a Funded Aircraft, its Aircraft Age does not exceed the Aircraft Age Limit for Aircraft of that Type.

In addition, (A) if the provisions of clause (b)(2) of the definition of Approved Country List apply to a country, an Aircraft otherwise constituting an Eligible Aircraft under this definition that is registered in such country, or leased by a Lessee organized under the laws of or domiciled in such country, shall cease to be an Eligible Aircraft if the Borrower fails to maintain the Required Coverage Amount for such country as contemplated in Section 10.34(d) and such failure is not remedied within 30 days, and (B) the ANA Aircraft shall cease to be an Eligible Aircraft if Tateha receives a conveyance of or acquires any additional aircraft following the Closing Date, unless the Administrative Agent shall have otherwise consented in its sole discretion.

"Eligible Assignee" has the meaning assigned such term in Section 15.1.

"Eligible Carrier" means any air carrier

(a) that is duly licensed to carry passengers or cargo (as such may be contemplated under the Lease related to the applicable Aircraft) under all Requirements of Law, whether foreign or domestic,

(b) that is not organized under the laws of, or domiciled in, any Prohibited Country,

(c) that is organized under the laws of or domiciled in a country or jurisdiction whose laws provide for (x) the recognition of the rights of the relevant Aircraft Owning Entity (and any relevant Applicable Intermediary), as owner and lessor of such Aircraft, and (y) the entitlement or ability of such Aircraft Owning Entity (and any relevant Applicable Intermediary) to recover possession of such Aircraft in accordance with the terms of such Lease, and

(d) that, on the date that the Aircraft becomes a Funded Aircraft within the Borrower's Portfolio under Lease to such air carrier or, if later, on the date that the Lease of the Aircraft to such air carrier commences, has had no continuing Event of Bankruptcy occur with respect to such air carrier unless (i) in the case of a Lease to a carrier domiciled in or organized under the laws of the United States, each Aircraft Owning Entity leasing any Aircraft to such air carrier is entitled, pursuant to an order of the relevant bankruptcy court or under the relevant bankruptcy or insolvency law, to enforce such Aircraft Owning Entity's rights against such air carrier, including, without limitation, the right to require the performance of such air carrier's obligations under such Lease or the return of such Aircraft during such air carrier's bankruptcy or insolvency, and (ii) in the case of a Lease to a carrier domiciled in or organized under the

laws of a jurisdiction other than the United States, either (x) the Servicer has received, and found satisfactory, legal advice from Local Aircraft Counsel to the effect that the country in which such air carrier is organized has laws, with respect to bankruptcy, insolvency, protection of creditors, administration of receivership or reorganization applicable to such air carrier that provide for the entitlement or ability of such Aircraft Owning Entity (and any relevant Applicable Intermediary) to recover possession of such Aircraft in accordance with the terms of such Lease irrespective of such Event of Bankruptcy, or (y) the Administrative Agent has otherwise approved the entering into of such Lease.

"Eligible Counterparty" means, in respect of any Hedge Agreement with the Borrower, a counterparty that, at the time of execution and delivery of the related Hedge Agreement, (a) has a long term unsecured debt rating of at least A from Standard & Poor's or A2 from Moody's, and has a short-term unsecured debt rating of at least A-1 from Standard & Poor's or "P-1" from Moody's, or (b) has otherwise been approved by the Borrower and the Lenders.

"Eligible Hedge Agreement" means an ISDA interest rate swap or cap agreement, collar or other interest rate hedging instrument between the Borrower and the Eligible Counterparty named therein, including any schedules and confirmations prepared and delivered in connection therewith, pursuant to which the Borrower will receive payments from, or make payments to, the Eligible Counterparty as provided therein, and which (a) limits recourse by the Eligible Counterparty to the Borrower, to distributions in accordance with the Flow of Funds, (b) provides that the counterparty on such Hedge Agreement provide collateral for its obligations upon a downgrade of its credit rating, and (c) is otherwise consistent with the requirements of Section 10.32 hereof.

"Eligible Intermediary" means, with respect to any Aircraft, a Person that is a direct or indirect, wholly-owned subsidiary of the Borrower.

"Eligible Investments" means book-entry securities entered on the books of the registrar of such securities and held in the name or on behalf of the Account Bank, negotiable instruments, or securities represented by instruments in bearer or registered form (registered in the name of the Account Bank or its nominee) which evidence:

(a) readily marketable direct obligations of the Government of the United States or any agency or instrumentality thereof or obligations unconditionally guaranteed by the full faith and credit of the United States;

(b) insured demand deposits, time deposits or certificates of deposit of any commercial bank that (i) is a member of the Federal Reserve System, (ii) issues (or the parent of which issues) commercial paper rated, at the time of the investment or contractual commitment to invest therein, as described in clause (d), (iii) is organized under the laws of the United States or any state thereof and (iv) has combined capital and surplus of at least \$500,000,000;

(c) money market deposit accounts, time deposits or savings deposits, in each case as defined by Regulation D of the Board of Governors of the Federal Reserve

System and issued or offered by any domestic office of any commercial bank organized under the laws of the United States of America or any state thereof, which institution has a combined capital and surplus and undivided profits of not less than \$250,000,000;

(d) repurchase obligations with a term of not more than ten days for underlying securities of the types described in clauses (a) and (b) above entered into with any bank of the type described in clause (b) above;

(e) commercial paper having, at the time of the investment or contractual commitment to invest therein, a short-term rating of at least A-1/P-1 from Standard & Poor's and Moody's, respectively;

(f) investments in no-load money market funds having a rating from each of Standard & Poor's and Moody's in its highest investment category (including such funds for which the Account Bank or any of its affiliates is investment manager or advisor); or

(g) other securities or instruments approved in writing by the Administrative Agent.

"Eligible Lease" means a fully-executed, valid and enforceable Lease of an Eligible Aircraft, between an Aircraft Owning Entity that Owns such Aircraft or any Applicable Intermediary, as Lessor, and an Eligible Carrier, as Lessee, which Lease satisfies each of the following requirements (unless the Administrative Agent otherwise consents in writing):

(a) no prepayment shall have been made under such Lease, and no Lease payment obligation shall have been accelerated, provided that it is understood that a scheduled rental payment that is paid at the beginning of a rental period in accordance with the applicable Lease terms is not deemed to be a prepayment;

(b) the Administrative Agent shall have received a Notice and Acknowledgment executed by the Lessee with respect to such Lease;

(c) rent or lease payments under such Lease are payable no less frequently than semiannually;

(d) all monetary obligations of the Lessee pursuant to such Lease are payable solely in Dollars or Euros (and with respect to Euros, subject to the restrictions of Section 10.32), and, in the case of such obligations payable in Euros, a currency hedge agreement reasonably satisfactory to the Administrative Agent is in effect with respect to payments to be made under such Leases;

(e) the Lessee has delivered to the Lessor formal notice of such Lessee's acceptance of the relevant Aircraft executed at the time the term of such Lease commenced;

(f) with respect to any Security Deposit or Maintenance Reserve required of the Lessee under the Lease, if the Lease provides for the Lessee to procure a letter of

credit in lieu of cash funding of such amounts, any such letter of credit that the Lessee has procured names the Borrower and/or the applicable Aircraft Owning Entity as beneficiary;

(g) the insurance required to be maintained by the Lessee under the terms of such Lease together with the insurance maintained under the Contingent Policy and any other insurance maintained by a Borrower Group Member shall provide coverages, limits and other terms with respect to the Aircraft that are in every respect the same in substance as, or more favorable to the Administrative Agent and the Lenders than, the applicable provisions of Annex 1 of the Servicing Agreement;

(h) such Lease contains:

(i) provisions requiring the Lessee not to create any Lien in respect of such Aircraft or any part thereof except for permitted liens consistent with Leasing Company Practice, including Liens not affecting the applicable Aircraft Owning Entity's Ownership interest in such Aircraft or the use or operation of the Aircraft arising in the ordinary course of such Lessee's business;

(ii) provisions prohibiting the Lessee from flying or locating such Aircraft in any country in violation of applicable Requirements of Law or any insurance coverage required to be maintained by the Lessee;

(iii) representations and warranties as to, without limitation, the due execution of such Lease by the Lessee and the validity of the Lessee's obligations thereunder, due authorization of such Lease and procurement of relevant licenses and permits in connection therewith (or a legal opinion confirming such matters has been delivered to the relevant Lessor on behalf of the Lessee);

(iv) provisions stipulating that such Lease will terminate (or such Lease is capable of being terminated) upon the occurrence of an Event of Loss with respect to such Aircraft (other than with respect to an engine) and the satisfaction of the Lessee's obligations thereunder;

(v) provisions setting forth the conditions under which the Lessor may terminate such Lease and repossess the relevant Aircraft, at any time after the expiration of any agreed grace period or remedy period, in each case consistent with Leasing Company Practice;

(vi) provisions prohibiting the assignment by the Lessee of any benefits or obligations under the Lease to any Person, except (A) in the case of a merger, consolidation or transfer of all or substantially all assets by the Lessee, provided the successor assumes all of the Lessee's obligations under the Lease, or (B) otherwise consistent with Leasing Company Practice (*provided*, that in respect of any assignment under this clause (B) exception that involves an assumption of the existing Lessee's obligations and a corresponding release of the Lessee therefrom, the assuming lessee must be an Eligible Carrier);

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(vii) provisions acknowledging that when the Lessee gives formal notice of acceptance of the relevant Aircraft, it takes delivery of such Aircraft with no condition, warranty or representation of any kind having been given by or on behalf of the Lessor in respect of such Aircraft, except as to matters expressly set forth in such Lease;

(viii) provisions stating that payments are to be made by the Lessee without set-off, counterclaim, withholding or any similar reduction, in each case with exceptions consistent with Leasing Company Practice;

(ix) provisions requiring the Lessee to maintain the relevant Aircraft in accordance with and pursuant to applicable governmental and regulatory requirements, and consistent with Leasing Company Practice;

(x) provisions permitting the Lessee to sublease the Aircraft only if the Lessee remains obligated to make payments on such Lease, except as permitted under specific conditions included in a Precedent Lease or with respect to specific classes of sublessees agreed by the applicable Lessor consistent with Leasing Company Practice (and *provided*, that in respect of any sublease under this exception, the

sublessee must be an Eligible Carrier);

(xi) provisions prohibiting the Lessee from selling the Aircraft except upon exercise of a purchase option, any which purchase option must be a Qualifying Purchase Option as of the applicable Advance Date;

(xii) provisions making the Lessee's obligation to make rental payments absolute and unconditional under any and all circumstances and regardless of the occurrence of any events, with only such exceptions as are consistent with Leasing Company Practice;

(xiii) provisions requiring the Lessee to bear the cost of complying with all Lease covenants including those pertaining to operation, insurance, maintenance and return, except that the Lessor may agree in the Lease to a formula for sharing the cost of compliance with airworthiness directives and manufacturer service bulletins, and to other concessions in respect of such costs, in each case consistent with Leasing Company Practice;

(xiv) provisions requiring the Lessee to maintain insurance with respect to the Aircraft, consistent with Leasing Company Practice; and

(xv) provisions requiring the Lessee to redeliver the Aircraft, including, if applicable, replacement engines and parts, on expiry or termination of the Lease (other than any expiration or termination coincident with the purchase of the Aircraft pursuant to the exercise of a purchase option by the Lessee), specifying the required return condition and any obligation of the Lessee to remedy or compensate the Aircraft Owning Entity that is the Lessor thereunder, directly or indirectly, for any material deviations from such return condition, in each case

considering the other terms of the relevant Lease and to the extent consistent with Leasing Company Practice;

provided, however, that "Eligible Lease" also means, individually and collectively, (x) a fully-executed lease by an Aircraft Owning Entity (as Lessor) to an Applicable Intermediary (as Lessee) of an Aircraft, which Lease satisfies each of the requirements for an "Eligible Lease" set forth in clauses (a) through (h) above except that the Lessee is not an Eligible Carrier, and (y) a fully-executed sublease by such Applicable Intermediary (as sublessor) to an Eligible Carrier (as sublessee) of such Aircraft, and which sublease satisfies all the requirements for an "Eligible Lease" set forth in clauses (a) through (h) above, except that the sublessor is such Applicable Intermediary and the Eligible Carrier is a sublessee.

In addition, if any Lessee of an Aircraft otherwise constituting an Eligible Lease under this definition shall be in violation of any Anti-Terrorism Laws, including the Executive Order and the Patriot Act, such Lease shall cease to be an Eligible Lease due to such status of the Lessee until such violation is cured or the relevant Lease is otherwise terminated.

"Eligible Service Provider" means any member of the AerCap Group or another Person which, at the time of its appointment as a Service Provider, (i) is servicing a portfolio of aircraft leases, (ii) is legally qualified and has the capacity to service the Aircraft and the Leases, (iii) has demonstrated the ability professionally and competently to service a portfolio of aircraft leases similar to the Leases with reasonable skill and care, (iv) is qualified and entitled to use, pursuant to a license or other written agreement, and agrees to maintain the confidentiality of, the software which the applicable Service Provider uses in connection with performing its duties and responsibilities under this Agreement and the applicable Service Provider Agreement or otherwise has available software which is adequate in the judgment of the Administrative Agent to perform its duties and responsibilities under this Agreement and the applicable Service Provider Agreement and (v) is otherwise satisfactory to the Administrative Agent.

"Employee Benefit Plan" means, with respect to any Person, any employee benefit plan within the meaning of Section 3(3) of ERISA which (i) is maintained for employees of a Person or any of its ERISA Affiliates or is assumed by such Person or any of its ERISA Affiliates in connection with any acquisition or (ii) has at any time been maintained for the employees of such Person or any current or former ERISA Affiliate.

"Embargoed Person" has the meaning set forth in Section 10.36.

"Environmental Laws" means any federal, state, local or foreign statute, law, ordinance, code, rule, regulation, order, decree, permit or license regulating, relating to, or imposing liability or standards of conduct concerning, any environmental matters or conditions, environmental protection or conservation, including without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended; the Superfund Amendments and Reauthorization Act of 1986, as amended; the Resource Conservation and Recovery Act, as amended; the Toxic Substances Control Act, as amended; the Clean Air Act, as amended; the Clean Water Act, as amended; together with all regulations promulgated thereunder, and any other "Superfund" or "Superlien" law.



"Equity Interest" means, with respect to any Person, all of the issued and outstanding shares, interests or other equivalents of capital stock of such Person, whether voting or non-voting and whether common or preferred, all partnership, joint venture, limited liability company, beneficial interests in a trust (statutory or common law) or other equity interests in or other indicia of ownership of such Person, all options, warrants and other rights to acquire, and all securities convertible into, any of the foregoing, all rights to receive interest, income, dividends, distributions, returns of capital and other amounts of such Person (whether in cash, securities, property, or a combination thereof), and all additional stock, warrants, options, securities, interests and other property of such Person, from time to time paid or payable or distributed or distributable in respect of any of the foregoing, including all rights to receive amounts due and to become due under or in respect of any Investment Agreement or upon the termination thereof, all rights of access to the books and records of any such Person, and all other rights, powers, privileges, interests, claims and other property in any manner arising out of or relating to any of the foregoing, of whatever kind or character (including any tangible or intangible property or interests therein), and whether provided by contract or granted or available under applicable law in connection therewith, including the right to vote and to manage and administer the business of any such Person pursuant to any applicable Investment Agreement, together with all certificates, instruments and entries upon the books of financial intermediaries at any time evidencing any of the foregoing, in each case whether now owned or existing or hereafter acquired or arising.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time.

"ERISA Affiliate", as applied to any Person, means any other Person or trade or business which is a member of a group which is under common control with such Person, who together with such Person, is treated as a single employer within the meaning of Section 414(b) and (c) of the Internal Revenue Code.

"Euro" means the basic unit of currency among participating European Union countries.

"Eurocurrency Liabilities" has the meaning assigned to that term in Regulation D of the Board of Governors of the Federal Reserve System, as in effect from time to time.

"Eurodollar Rate" means, with respect to any Advance made by a Lender or any assignee of either, a rate per annum equal to:

(i) for any Interest Period commencing on a date other than a Payment Date as contemplated in the definition of Interest Period (*i.e.* that is a period of less than one month), the rate per annum determined by the Administrative Agent to be the average of the rates for one-month deposits in Dollars, as in effect on each Business Day during such Interest Period, which rate in each case is determined on each applicable date by the Administrative Agent by reference to the British Bankers' Association LIBOR Rates on Bloomberg (or such other service or services as may be nominated by the British Bankers' Association for the purpose of displaying London interbank offered rates for U.S. dollar deposits) on such date (or, if such date is not a Business Day, on the immediately preceding Business Day) at or about 11 a.m. New York City time; provided,